

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

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JUN 10 1998

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

<p style="text-align: center;"><b>In the Matter of</b></p> <p style="text-align: center;"><b>Federal-State Joint Board on Universal Service</b></p> <p style="text-align: center;"><b>Program to Monitor Impacts Of Universal Service Support Mechanisms</b></p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>
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**CC Docket No. 96-45**

**CCB-IAD File No. 98-101**

**COMMENTS OF THE**

**NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS**

On April 24, 1998, the Common Carrier Bureau ("Bureau") of the Federal Communications Commission ("FCC" or "Commission") issued a Public Notice seeking comment on the Bureau's proposed monitoring program and Monitoring Reports designed to assist the FCC in assessing and evaluating the new universal service support mechanisms established by section 254 of the Communications Act, as amended.

A number of parties filed comments supporting and opposing various reporting requirements. Because of the timing of the notice, NARUC was not able to pass a resolution specifically addressing the new reporting proposals and format changes in the Bureau's Notice. However, based on three past NARUC resolutions, these comments generally support the Bureau's efforts, specifically support continued collection of data provided in previous reports, and generally endorse the comments filed by the Arkansas Public Service Commission, insofar as they are in accord with the following:

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## DISCUSSION

In February of 1997, NARUC passed a resolution that pointed out the

- “[T]he important information the Monitoring Report provides to States,”
- NARUC’s consistent support of the Report since its inception in 1987,
- NARUC’s specific support for continuation of the program,

And urged “. . . the FCC and States [to] work together to review the Monitoring Report and make any changes or modifications to this reporting mechanism to reflect changes in the telecommunications industry.”

The Bureau’s proposal utilizes the structure and content of the Monitoring Report developed in CC Docket No. 80-286 that were specifically endorsed by this February 1997 resolution. Thus, as far as the information the Bureau proposes to continue collecting, NARUC is currently on record specifically supporting that effort. The Monitoring Reports that issued over the past ten years have been beneficial to NARUC’s member’s consideration of issues such as subscribership rates, Lifeline and LinkUp programs, growth of the network, and universal service support.

Moreover, the February 1997 resolution also specifically urges the States and the FCC to work together to make any changes needed to the report. In accordance with that provision, the State Staff of the Universal Service Joint Board worked with the FCC staff on many of the changes suggested by the Bureau in the noticed proposal.

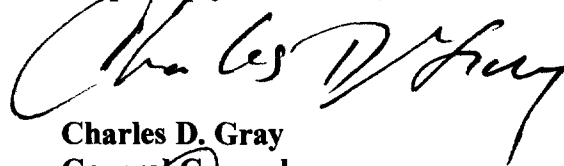
Finally, Paragraph 46 of the Notice notes the FCC’s decision, in the Universal Service Order, to monitor service quality trends by using ARMIS data, in combination with other data provided by the states. The Bureau proposes “to publish the service-quality data, (including, for example, data on trouble reports, switch outages, line outages, line blockages, and customer satisfaction) in a new section of the Monitoring Report.”

In a March 1998 resolution, NARUC specifically “encourages the FCC to collect telecommunications service quality data for retail services from all LECs on a frequent basis, e.g., quarterly, and to make such information easily accessible on the Internet to the States so as to facilitate comparisons of service quality between jurisdictions.” A previous resolution – passed in the Summer of 1996 instructs the Communications Committee staff to “...work with the FCC in a cooperative manner to determine what, if any, changes may be required to monitor telecommunications service quality under the ‘Telecommunications Act of 1996’” The March 1998 resolution also asks the FCC “to ensure that its program imposes only reasonably necessary reporting obligations on industry participants in order to effectively monitor retail telecommunications service quality.” Copies of all three NARUC resolutions are attached.

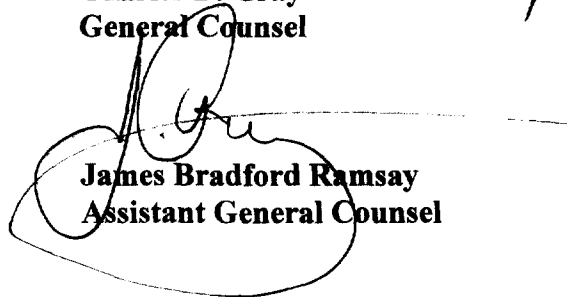
### **CONCLUSION**

NARUC respectfully requests that the Bureau and the FCC carefully consider the statements and positions outlined above when taking final action in this docket.

**Respectfully Submitted,**



**Charles D. Gray  
General Counsel**



**James Bradford Ramsay  
Assistant General Counsel**

**National Association of  
Regulatory Utility Commissioners  
P.O. Box 684  
1100 Pennsylvania Avenue, NW  
Washington, D.C. 20044  
(202-898-2200)**

**June 10, 1998**

## **Appendix A - Resolution to Expand Monitoring of Quality of Service**

WHEREAS, The quality of telecommunications services and networks is critical to the health, welfare and economy of the country; and

WHEREAS, Americans have typically enjoyed the highest telecommunication quality in the world; and

WHEREAS, The transition to competition and the trend towards price cap regulation presents complex challenges for maintaining high quality service; and

WHEREAS, The FCC ARMIS data has indicated some preliminary trends that raise concern regarding the quality of telecommunications service in the country; and

WHEREAS, A number of States have established proceedings or issued orders and findings concerning service quality problems; and

WHEREAS, The States have traditionally established the specific quality of service standards in their jurisdiction, determined their applicability and monitored compliance; and

WHEREAS, The "Telecommunications Act of 1996" has preserved the authority of States to establish and enforce specific State requirements associated with service quality; and

WHEREAS, The Communications Committee of the National Association of Regulatory Commissioners (NARUC) has previously assigned the task of modeling service quality rules for the use of its members to the Telephone Service Quality Subcommittee for its members; and

WHEREAS, The Committee on Communications has directed its Subcommittee on Telephone Service Quality to review the NARUC Service Quality Rule model, previously developed, and to report its findings to the Committee on Communications at its July 1996 Meeting; now, therefore, be it

RESOLVED, That the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), convened at its 1996 Winter Meetings in Washington, D.C., urge the NARUC through its Committee on Communications and Subcommittee on Consumer Affairs to work with the FCC in a cooperative manner to determine what, if any, changes may be required to monitor telecommunications service quality under the "Telecommunications Act of 1996".

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Sponsored by the Committee on Communications - Adopted February 28, 1996

## **Resolution Regarding A Federal Service Quality Reporting Program**

WHEREAS, The quality of telecommunications services and networks is critical to the health, welfare and economy of the country; and

WHEREAS, The transition to competition and the deployment of new technologies present complex challenges for maintaining high quality service; and

WHEREAS, The rapid pace of change in the telecommunications industry and the need for an appropriate level of reporting detail create unique challenges for the States to compare the quality of service among the several States; and

WHEREAS, The Federal Communications Commission ("FCC") currently receives ARMIS service quality data from Tier 1 incumbent local exchange carriers (LECs), and additional service quality data in other reports from incumbent LECs; and

WHEREAS, Many new telecommunications services, e.g., special services, are not reflected in the FCC's service quality reports; and

WHEREAS, The data collected by the FCC does not adequately measure the quality of service available to rural areas because many service quality problems that occur in rural areas are not reflected in the FCC's service quality reports; and

WHEREAS, The FCC ARMIS data has indicated preliminary trends in telecommunications service quality that raise concern regarding the service quality of the network; and

WHEREAS, The Telecommunications Act of 1996 greatly limited the ability to monitor telecommunications service quality by changing the filing requirement for FCC ARMIS reports from quarterly to annually; and

WHEREAS, The States have traditionally established the specific quality of service standards in their jurisdictions, determined applicability, and monitored compliance; and

WHEREAS, The National Regulatory Research Institute has recommended improving the monitoring of telecommunications service quality by requiring standardized reports, conducting service quality audits, and expanding data collected by the FCC; and

WHEREAS, The FCC can provide a valuable service to the States by collecting telecommunications service quality information and making such information available to the States; now, therefore, be it

RESOLVED, That the Executive Committee of the National Association of Regulatory Utility Commissioners ("NARUC"), convened at its 1998 Winter Meetings in Washington, D.C., states that, while the states will continue to establish the specific quality of service standards in their jurisdictions, determine the applicability, and monitor compliance, the NARUC recommends that the FCC work with the states to revise the FCC's service quality reporting program to reflect technological and regulatory changes in the telecommunications industry; and be it further

RESOLVED, That, for those areas transitioning to a competitive market, the NARUC urges the FCC to consider the collection of telecommunications service quality data for retail services from all LECs, both incumbent LECs and competitive LECs, and to include the collection of data from the rural areas as well; and be it further

RESOLVED, That the NARUC encourages the FCC to collect telecommunications service quality data for retail services from all LECs on a frequent basis, e.g., quarterly, and to make such information easily accessible on the Internet to the States so as to facilitate comparisons of service quality between jurisdictions; and be it further

RESOLVED, That the NARUC urges the FCC, in updating its service quality monitoring program, to ensure that its program imposes only reasonably necessary reporting obligations on industry participants in order to effectively monitor retail telecommunications service quality; and be it further

RESOLVED, That the NARUC General Counsel be directed to file and take any appropriate actions to further the intent of this resolution.

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Sponsored by the Committee on Communications - Adopted March 4, 1998

### **Resolution Regarding the Monitoring Report**

WHEREAS, The Federal Communications Commission (FCC), on August 27, 1987, initiated a monitoring program in CC Docket No. 87-339 to track the impact of changes to the separation rules contained in Part 36; and

WHEREAS, The FCC has released eighteen Monitoring Reports as part of the monitoring program; and

WHEREAS, The monitoring program was extended in 1992 for five years by the FCC pursuant to a Recommended Decision and Order of the Federal-State Joint Board established in CC Docket No. 80-286; and

WHEREAS, The Monitoring Report has been modified since its inception and currently contains information on telephone subscribership, lifeline subsidies, high cost subsidies, network usage, rates, revenues, expenses and investments, pooling, infrastructure and new services; and

WHEREAS, Due to the important information the Monitoring Report provides to states, NARUC has supported and provided recommendations on the Monitoring Report; and

WHEREAS, The Monitoring Report will be discontinued in 1997 without further action by the Joint Board and the FCC; now, therefore, be it

RESOLVED, That the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), convened at its 1997 Winter Meetings in Washington, D.C., supports the continuation of the Monitoring Report; and be it further

RESOLVED, That the FCC and states work together to review the Monitoring Report and make any changes or modifications to this reporting mechanism to reflect changes in the telecommunications industry.

Sponsored by the Committee on Communications  
Adopted February 26, 1997

**Certificate of Service**

**I, James Bradford Ramsay, certify that a copy of the foregoing has be served by first class mail, postage prepaid, on the following listed parties, this 10<sup>th</sup> Day of June**

**1998**

  
**James Bradford Ramsay**